Return Date:		
UNIVERSITY OF CONNECTICUT;	:	SUPERIOR COURT
UNIVERSITY OF PITTSBURGH OF THE	:	
COMMONWEALTH SYSTEM OF HIGHER	:	J.D. OF HARTFORD
EDUCATION; RUTGERS, THE STATE	:	
UNIVERSITY OF NEW JERSEY; VIRGINIA	:	AT HARTFORD
POLYTECHNIC INSTITUTE & STATE	:	
UNIVERSITY; and WEST VIRGINIA	:	
UNIVERSITY,	:	
	:	
Plaintiffs,	:	
	:	
VS.	:	
	:	
UNIVERSITY OF MIAMI; BOSTON	:	
COLLEGE; and ATLANTIC COAST	:	
CONFERENCE.	:	

### STATEMENT OF AMOUNT IN DEMAND

The plaintiffs claim damages in excess of Fifteen Thousand and 00/100

June 6, 2003

Dollars (\$15,000), exclusive of costs and interests.

Defendants.

Return Date:	, 2003		
UNIVERSITY OF CONNECTIC	UT;	:	SUPERIOR COURT
UNIVERSITY OF PITTSBURGE	H OF THE	:	
COMMONWEALTH SYSTEM (	OF HIGHER	:	J.D. OF HARTFORD
EDUCATION; RUTGERS, THE	STATE	:	
UNIVERSITY OF NEW JERSEY	'; VIRGINIA	:	AT HARTFORD
POLYTECHNIC INSTITUTE &	STATE	:	
UNIVERSITY; and WEST VIRG	INIA	:	
UNIVERSITY,		:	
		:	
Plaintiffs,		:	
		:	
VS.		:	
		:	
UNIVERSITY OF MIAMI; BOS'	TON COLLEGE;	:	
and ATLANTIC COAST CONFE	ERENCE,	:	
	•	:	
Defendants			ILINE 6, 2003

### COMPLAINT FOR MONETARY DAMAGES AND INJUNCTIVE RELIEF

Plaintiffs University of Connecticut ("Connecticut"), University of
Pittsburgh of the Commonwealth System of Higher Education ("Pittsburgh"), Rutgers,
the State University of New Jersey ("Rutgers"), Virginia Polytechnic Institute & State
University ("Virginia Tech"), and West Virginia University ("West Virginia")
(collectively, "Plaintiffs"), by their undersigned counsel, hereby file this Complaint for
Monetary Damages and Injunctive Relief against the above-named Defendants. Plaintiffs
allege upon knowledge with respect to themselves and their own acts, and upon
information and belief with respect to all other matters, as follows:

#### **SUMMARY OF ACTION**

- 1. This Action arises out of a conspiracy in which two members of the Big East Conference (the "Big East"), the University of Miami ("Miami") and Boston College ("BC") (collectively, the "Defecting School Defendants"), and Defendant Atlantic Coast Conference (the "ACC") have abandoned their contractual and fiduciary obligations to their partner schools in the Big East. Barely a year after Miami President Donna Shalala committed in the strongest terms to remain in the Big East, Defendants have embarked on a scheme that is calculated to destroy the Big East and misappropriate its value for their benefit.
- 2. Plaintiffs are four universities that have played major college football for generations, and whose legacies are threatened by Defendants' conduct, and a fifth, Connecticut, that has just finished construction of a \$90 million dollar football stadium as part of its demonstrated commitment to college football.
- 3. Each of the Defecting School Defendants is a member of the Big
  East, which has fourteen members, eight of which Plaintiffs, the Defecting School

Defendants and Syracuse University ("Syracuse") — play, or are committed to play, major college football in the Big East Football Conference (the "Football Conference"), which participates in Division 1-A of the National Collegiate Athletic Association ("NCAA"). The Football Conference was originally a separate entity from the Big East, but the two entities merged in 2000 and are now commonly referred to as the "Big East."

- 4. These eight members of the Football Conference have made significant individual and collective investments to pursue a vision of the university experience that would include a major college football team as a basic part of university life, and thereby enhance all aspects of university life in the pursuit of excellence on and off the field. These individual and collective investments have engendered a source of pride and an engine of economic, civic and regional development throughout the regions in which the individual schools are located and throughout the entire conference.
- 5. This case does not involve any single school simply seeking a different direction or vision; rather, this case involves a deliberate scheme initiated by Defendants to destroy the Big East and abscond with the collective value of all that has been invested and created in the Big East.
- 6. Pursuant to their membership in the Big East, each of the Defecting School Defendants has entered into a series of contracts and voluntarily assumed fiduciary obligations to the other members of the Big East. In addition to these obligations, Defendant Miami in particular, during a period of time when it suited its interests to do so, has made repeated public and private statements and commitments to the other members of the Big East that it intended to remain a member of the Big East and that it had no intention of leaving to join any other conference. It did so with the

knowledge and intent that these statements would be, and were in fact, relied on by the remaining members of the Big East in making enormous investments that would benefit Miami.

- 7. Based on Miami's unequivocal, repeated and explicit commitments, Plaintiffs poured tens of millions of dollars into improving their oncampus facilities, entering into long-term leases with stadiums, foregoing other potential revenue streams, and making other investments in the future of their athletic programs. It is now clear that the Defecting School Defendants' promises were not true and that they were simply readying themselves for the day that they could walk away with the value they were encouraging others to develop as "partners" and sell it to the ACC.
- 8. Recent events have revealed that, in derogation of their contractual and fiduciary obligations and in contravention of these repeated statements and commitments, each of the Defecting School Defendants has been engaged in secret negotiations to leave the Big East to join the ACC. If Defendants' scheme is permitted to succeed, Plaintiffs stand to lose hundreds of millions of dollars in revenues, as well as the value of tens of millions of additional dollars spent to improve the facilities and teams in the conference, and largely incalculable losses in, among other things, the quality of student life, alumni and other major donor support and community relations.
- 9. As troubling as the reasons underlying the Defecting School Defendants' course of conduct, which is based on their desire to make more money irrespective of the cost to their partners, is the subterranean manner in which the Defecting School Defendants have carried out this scheme.

- 10. One of the reasons the Defecting School Defendants did not disclose the fact of their negotiations is plain; they knew that public revelation of these talks would diminish their present revenues in the Big East and their bargaining leverage with the ACC.
- substantial injury to Plaintiffs and its actions are equally reprehensible. Like the Defecting School Defendants, the ACC owes certain contractual and fiduciary duties to Plaintiffs. As discussed in detail below, these duties emanate from, among other things, the ACC's participation along with the Big East and the four other major athletic conferences as partners in a collaborative venture known as the "Bowl Championship Series" (the "BCS"). As part of the BCS, each of the six participating athletic conferences is guaranteed a berth in one of four "BCS Bowls." These BCS Bowls have substantial guaranteed monetary payouts and have been the principal route for Division 1-A football teams to have a meaningful chance to win the National Championship.
- 12. By raiding the Big East, the ACC plans not only to add Miami, BC and Syracuse to its roster, but also to try to destroy the Big East as a viable competitor in major college football. At the very least, the Big East is being placed at risk of losing its guaranteed berth in one of the four BCS Bowls, which will result in the loss of tens of millions of dollars, plus hundreds of millions more in lost television and radio broadcast contract rights and other harm.

#### THE PARTIES

13. Plaintiff University of Connecticut is a not-for-profit institution of higher education whose main campus is located in Storrs, Connecticut.

- 14. Plaintiff University of Pittsburgh of the Commonwealth System of Higher Education is a not-for-profit institution of higher education whose main campus is located in Pittsburgh, Pennsylvania.
- 15. Plaintiff Rutgers, the State University of New Jersey is a not-for-profit institution of higher education whose principal place of business is located at its main campus in New Brunswick, New Jersey.
- 16. Plaintiff Virginia Polytechnic Institute & State University is a state agency and an institution of higher education of the Commonwealth of Virginia whose main campus is located in Blacksburg, Virginia.
- 17. Plaintiff West Virginia University is a not-for-profit institution of higher education whose main campus is located in Morgantown, West Virginia.
- 18. The Big East Conference, which is not a party, is a District of Columbia not-for-profit corporation headquartered in Providence, Rhode Island.
- 19. Plaintiffs Pittsburgh, West Virginia, Virginia Tech, Connecticut and Rutgers, and Defendants Miami and BC are members of the Big East conference.
- 20. Defendant Miami is a Florida not-for-profit corporation and institution of higher education whose campus is located in Coral Gables, Florida.
- 21. Defendant BC is a not-for-profit corporation of higher education whose campus is located in Chestnut Hill, Massachusetts.
- 22. Syracuse, which is not a defendant, is a New York not-for-profit corporation of higher education whose campus is located in Syracuse, New York.

23. Defendant ACC is a tax-exempt unincorporated membership organization headquartered in Greensboro, North Carolina. The ACC currently comprises nine member schools. The primary purpose of the ACC is to promote and foster the interests of its nine member schools, including the promotion of athletic competitions between its member schools and the generation of revenues from those competitions.

### **JURISDICTION AND VENUE**

- 24. This Court has subject matter jurisdiction over the claims asserted in this Complaint pursuant to Conn. Gen. Stat. § 51-164s.
- 25. Pursuant to Conn. Gen. Stat. §§ 33-929, 52-59b(a) and 52-57, this Court has jurisdiction over the persons of the Defendants in that this action arises out of contracts made or to be performed in this state, business solicited in this state as Defendants have repeatedly so solicited business, and tortious conduct within the state; and Defendants have transacted business within the state, committed tortious acts within the state, including acts giving rise to this lawsuit, and/or committed tortious acts outside the state that have caused injury to Plaintiff Connecticut within the state, including acts giving rise to this lawsuit, while persistently engaging in conduct within the state.
- 26. Venue is proper in this Court pursuant to Conn. Gen. Stat. § 51-345(3) because Plaintiff Connecticut resides in this Judicial District and because all or some part of the acts and omissions giving rise to Plaintiffs' claims occurred within this Judicial District.

### **FACTUAL ALLEGATIONS**

### The Big East Conference, Its Members And Its Athletic and Financial Success

- 27. As set forth in its Constitution and Bylaws, the Big East is a notfor-profit corporation organized solely for charitable and educational reasons that has the following purposes:
  - (a) To provide Members with a jointly governed body for sponsoring, supervising and regulating intercollegiate athletics within the scope of the Conference;
  - (b) To assist Members in administering, funding and promoting their intercollegiate athletic programs;
  - (c) To promote high standards of both academic and athletic performance among men and women student athletes and to establish friendly relationships among individuals and Members;
  - (d) To enhance the opportunities for participation in, and the level of competition of, men's and women's intercollegiate athletics on an equitable basis; and
  - (e) To promote high standards of sportsmanship in intercollegiate athletics.
- 28. To accomplish these goals, the participating schools in the Big
  East have worked together on a number of collective activities including, among other
  things, creating annual conference schedules in which conference teams play each other
  every season in a variety of sports, negotiating and participating in joint agreements with

respect to the sale of broadcast rights, ongoing joint marketing efforts and generally seeking to maximize the athletic and financial interests of each of the members of the Big East and of the Big East as a whole. As part of an effort to increase the prestige and financial wherewithal of the Big East, since 1991, the activities of the Big East have included the Football Conference.

- 29. Four of the Plaintiff schools Pittsburgh, Virginia Tech, West Virginia and Rutgers as well as Syracuse and the two Defecting School Defendants have played football in the Football Conference since its inception. These four Plaintiff schools have a long and rich tradition in college football that substantially pre-dates the formation of the Football Conference. Rutgers, in fact, has the longest tradition of any team in college football, having participated in what is considered the first college football game ever played, against Princeton in 1869. Five members of the College Football Hall of Fame played or coached at Rutgers.
- 30. Pittsburgh also has played college football for over 100 years.

  During this time, it was voted the National Champion in nine different years, including the undefeated national championship team of 1976, led by Heisman Trophy winner Tony Dorsett, shortly before Pittsburgh joined the Big East. Twelve members of the College Football Hall of Fame played or coached at Pittsburgh.
- 31. West Virginia also has a long and rich tradition in college football that has been a source of state-wide pride and economic development in West Virginia.

  Despite West Virginia's relatively small population, it has sustained a high level of performance across generations from the great teams led by Sam Huff in the 1950's to the

1988 and 1993 teams that played for the national championship. Four members of the College Football Hall of Fame played at West Virginia.

- 32. Virginia Tech also has a long and proud history in college football, having played since 1892, and having many great teams and great players prior to joining the Football Conference. Five members of the College Football Hall of Fame played or coached at Virginia Tech. As set forth below, Virginia Tech has also made substantial investments in football since joining the Football Conference and these investments have been extremely beneficial to the entire conference, including the Defecting School Defendants.
- 33. Plaintiff Connecticut has been a member of the Big East since 1979, and is scheduled to begin playing in the Football Conference, as its eighth member, in 2005. Connecticut is the state university, and in conjunction with the state government, and as set forth more fully below, Plaintiff Connecticut has invested more than \$100 million in connection with Plaintiff Connecticut's decision to join the Football Conference.
- 34. The Football Conference has been marked by great success on the field. In its first formal year of play, the Conference Champion (Miami) won the National Championship. Since that time, the Conference Champion of the Big East has won another National Championship and played for the National Championship at least four other times. In addition, participating schools in the Big East have finished their season nationally ranked in the Top 25 dozens of times, including most recently last season, when four teams were so ranked (Miami, Pittsburgh, Virginia Tech and West Virginia).

- 35. This collective success has allowed the members of the Big East to work together in the marketing and sale of broadcast rights to football games in which their members have played, resulting in millions of dollars in annual revenues to each of the Big East teams. For instance, the Football Conference has entered into a contract with ABC and ESPN for the broadcast of their games, as a result of which the member schools are paid millions of dollars in revenues (the "Football Broadcast Agreement"). The member schools of the Big East also entered into a separate broadcasting agreement with ESPN for the broadcast rights to basketball, which generates millions more in revenues (the "Big East Broadcasting Agreement"). Both the Football Broadcast Agreement and the Big East Broadcasting Agreement (collectively, the "Regular Season Agreements") will continue under their own terms in effect until at least the year 2007.
- 36. The Big East's success on the field and in contracts and investments has enabled the Football Conference and its member schools to compete at the highest level of college football. At present there are six "major" football conferences in the NCAA. They are the Big East, the Defendant ACC, the Big Ten Conference, the Big Twelve Conference, the Southeastern Conference and the Pacific-10 Conference. These six conferences have produced virtually every National Champion in Division 1-A football for the past thirty years, and every one since 1984. In addition, these conferences have formed a group, known as the Six Conferences, in which they work together to improve college athletics with respect to issues such as academic and time-commitment issues for student athletes.
- 37. In or about 1998, these six conferences created a joint venture called the Bowl Championship Series (the "BCS"). The six conferences which founded

the BCS are known as the "BCS equity conferences." The BCS was designed to better determine a true "National Champion" of Division 1-A college football. As set forth in the agreement memorializing this venture (the "BCS Agreement"), and modified by the partners in this venture, the BCS incorporates four long-standing bowl games -- the Sugar Bowl, the Orange Bowl, the Fiesta Bowl and the Rose Bowl. Pursuant to the selection process described below, eight teams are selected each year to play in these four games, with the top two teams playing in what now has become a de facto national championship game at one of the four BCS bowl sites.

- 38. The champion of each of the six BCS equity conferences receives an automatic bid to one of the four BCS bowls. Thus, there are only two remaining bids potentially available to the 111 other Division 1-A football teams (the "At-Large Bids"). The At-Large Bids are awarded pursuant to a detailed rating system involving various computer and vote-driven ranking systems designed to determine the strongest teams. Of these two At-Large Bids, one school (Notre Dame) is assured of an At-Large Bid if it attains a certain ranking, and is eligible to receive an At-Large Bid if it attains a certain lesser ranking. That leaves just one At-Large Bid that still can be awarded to members of the BCS equity conferences and, if not, to one of the dozens of Division 1-A schools outside of those conferences. However, since the BCS inception, not one such At-Large Bid has gone to a school outside of the BCS equity conferences or Notre Dame.
- 39. The BCS has generated tremendous fan interest and therefore has been an extremely lucrative venture for the six BCS equity conferences. For example, during the most recent bowl season, the BCS paid between \$13.5 million to \$16.5 million to each of the conferences participating in the BCS. Future BCS payouts are expected to

substantially increase in coming years. In stark contrast, payouts from non-BCS bowls generally do not exceed \$1 million to the participants.

40. The Defecting School Defendants and Syracuse have profited handsomely from their affiliation with the Big East and its status as a joint venture member of the BCS, with each of these three schools receiving between \$5 and \$9 million in revenues last year alone. Their participation has also allowed these schools to have great success on the field.

### Plaintiffs Stood By The Defecting School Defendants In Their Time Of Need

- 41. The success and growth of the Big East have stemmed from a shared vision and collaborative effort among its members, including Plaintiffs and the Defecting School Defendants. This common effort has included a profound willingness to stick with their partners in this conference in even the darkest of times. Two examples of the loyalty and cooperation among Big East Conference members are particularly compelling. Both occurred in the mid-1990's, when BC and Miami faced separate crises that threatened their continued viability as participants in college athletics.
- 42. For example, in 1997 a criminal investigation was commenced into alleged gambling by BC athletes, including football players. This scandal had the potential to effectively end BC's ability to continue to participate in college athletics because BC had already faced a gambling scandal in its basketball program in the 1980's. Similarly, in the mid-1990's Miami was placed on probation by the NCAA for various NCAA violations. As part of this probation, the NCAA reduced the number of football scholarships Miami could award and imposed various other sanctions. Furthermore, notwithstanding its on-field success, a leading national sports magazine, Sports

Illustrated, asserted that Miami's program had become so far removed from the beneficial objectives of college athletics that it urged Miami to drop its football program.

43. Nevertheless, during this time the Big East and every member thereof stood behind these schools. Miami and BC continued to receive in full their respective financial and other entitlements as members of both the Big East and the Football Conference. With this support, Miami and BC were able to weather these crises, to the point where for example, in the last two years, Miami has ascended to the top of Division 1-A football and has played as the Big East representative in two straight BCS national championship games.

### The Secret Negotiations Between The Defecting School Defendants And The ACC

- 44. Despite the support of its partners, Miami did not waste any time probing for other and more lucrative opportunities once its crisis had passed and it no longer needed the support and protection of its partners in the Big East. Miami had discussions with ACC member schools which wanted Miami to leave the Big East and defect to the ACC. Now that Miami had weathered its crisis with the NCAA and emerged as a perennial threat to win the National Championship in football, Miami suddenly looked appealing to the ACC.
- 45. Given the apparently extensive negotiations involving Miami and the ACC, and the risk that those negotiations might become public, Miami's then-President Foote and Athletic Director Dee decided to inform the Commissioner of the Big East, as well as the member schools, about their discussions with the ACC. Miami's purported reason for this confession was that they did not want to operate behind the scenes and felt an obligation to their partners to be candid.

- 46. Miami had good reason not to alienate other Big East members. There was a lack of consensus among members of the ACC as to whether they in fact wanted Miami to become a member of their conference. Indeed, a number of schools within the ACC reportedly wanted no part of Miami joining the ACC.
- 47. Thus, beginning as early as April through July of 1999, Miami made a series of statements to members of the Big East and to the press conceding that it had been in contact with the ACC but seeking to minimize the significance of these contacts. Miami Athletic Director Paul Dee, even as he disclosed the fact of talks with ACC members, expressly acknowledged that "[a] lot of the responsibility of the Big East Conference, at least in the football area, is on the University of Miami, and we understand that responsibility and talk about those kinds of things." (*Palm Beach Post (Florida)* July 8, 1999).
- 48. Dee reported to Plaintiffs, among others, at a May 23, 1999 Big
  East Football Annual Meeting that "Miami has never been contacted by the ACC itself;
  Miami has never contacted the ACC; There is no timeline because Miami has never been approached by the ACC."
- 49. In fact, it appears that in 1999 Miami met with, among others,
  David Braine, the Athletic Director of Georgia Tech, and Dave Hart, Jr., the Athletic
  Director of Florida State. For reasons explained below, Plaintiffs and the other members
  of the Big East did not take any action in response to Miami's discussions with the ACC
  at that time and instead relied on the word of Miami concerning the nature and extent of
  their discussions with the ACC. Miami was, however, engaged in protracted discussions
  with the ACC at that time and did not disclose the nature or extent of those conversations

to Plaintiffs or the Big East. Those discussions were not limited to the respective athletic departments of the various schools, but rather extended all the way up to the Presidents of the various involved ACC schools and Miami.

#### The Denials By The Defecting School Defendants And The ACC

- 50. Not surprisingly, Plaintiffs and other members of the Big East were very concerned when it became public knowledge that Miami was engaged in a dialogue to join the ACC. A decision by Miami to leave would significantly impact (a) the then-current television contracts with CBS and ESPN; and (b) the Big East's impending contract negotiations with ABC/ESPN. As described below, at the time of this revelation, a number of schools within the Big East were considering making substantial investments into their programs and the infrastructure needed to support onfield athletic success and the members of the conference were in the process of making several important long-term decisions.
- 51. Miami expressly and unequivocally assured its conference members that it was staying in the conference. It did so with the full knowledge that the other members of the Big East, including all of the Plaintiffs, were making multi-million dollar commitments and long-term decisions relying upon those representations.
- 52. For example, during a November 2, 1999 Big East meeting, Miami of its own accord reaffirmed its commitment to the Big East and each of its members. Following that meeting, Miami President Edward Foote publicly reaffirmed Miami's commitment to the Big East as follows: "The rumors that the University of Miami might leave the Big East to join the Atlantic Coast Conference apparently began some time ago as a result of some casual conversation among athletic directors. We have great respect

for our friends in the ACC but we have been, and remain, happy with our Big East affiliation. We have no plans to change conferences. No one has offered us membership in another conference. We are proud to be partners with the fine institutions that comprise the Big East Conference. . . . The University of Miami looks forward to participating in the renegotiation of the multi-year Big East television contract." (November 2, 1999 Miami Press Release) (emphasis added).

- 53. Less than a month later, in a November 30, 1999 letter from Miami Athletic Director Dee addressed to Big East Commissioner Michael Tranghese, Dee wrote that "[i]t shall be the responsibility of all members of the conference . . . to preserve, protect and support the conference."
- 54. The minutes of the March 6, 2002 Big East Conference CEO meeting, reflect Miami's current President, Donna Shalala's reiteration of Miami's commitment "in the strongest terms possible, emphatically stat[ing] that the University of Miami is in the Big East Conference and has no interest in leaving it for any other conference."
- 55. This re-stated assurance was very important to the other member schools and their chief executives. As stated in a March 7, 2002 letter from President David Hardesty of Plaintiff West Virginia to President Shalala:

I want you to know how important your statement at the Big East meeting yesterday was to the entire league. It is a significant act of leadership on your part, and your election as our representative to the Equity Conference Group reflects the support you already have within the Big East.

I look forward to working with you in the years to come and enjoy what you bring to our group very much.

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- other actions to foster the appearance that it was committed to the Big East. In early 2001, Miami approved the current Big East Constitution. Pursuant thereto, Miami, along with other members, have ongoing commitments such as those to transfer and assign individual broadcast rights and to participate in television and broadcast events and arrangements. These include the long-term agreement that President Foote referenced in his 1999 assurances to his "partners." For example, in 2000 and early 2003, Miami signed on to the Regular Season Agreements, pursuant to which Miami receives millions of dollars from the broadcast of all Big East games. Both of these agreements have terms that run for several more years.
- 57. In addition, in 2002, during the same meeting in which she emphatically committed to Plaintiffs in the strongest terms possible that Miami was committed to the Big East, President Shalala was appointed as the Big East's presidential representative in the BCS. In this position, which she holds to this day and has never resigned, President Shalala receives critical information and acts on behalf of Big East members and is charged to look out for their interests vis a vis other conferences in this vital aspect of the Big East's participation in major college football.
- 58. As Miami knew when it made these assurances, it was in Miami's interest for the Big East to be perceived as a quality conference and for its members to make the commitments necessary to achieve national respect.
- 59. The Plaintiffs, in turn, engaged in extraordinary efforts to improve their programs and, thereby, the conference. In 2002, Virginia Tech entered into and

completed the second phase of a projected three-phase expansion for its football stadium, investing approximately \$37 million in that second phase expansion.

- 60. Pittsburgh negotiated for a long-term lease to play its games at newly constructed Heinz Field, a \$250 million facility (where Pittsburgh began playing in 2001), constructed an approximately \$100 million events center in which it plays Big East basketball (which opened in 2002), and negotiated for a long term lease for the use of a multi-million dollar practice and training facility (which opened in 2000).
- 61. In early 2002, West Virginia committed to spend approximately \$24 million on improvements to its athletic facilities.
- 62. Over the past several years, Rutgers has spent approximately \$24 million to improve its football complex and other sports facilities.
- 63. Miami was well aware of all of these then-potential investments when it offered its assurances that it would remain in the Big East.

#### The University Of Connecticut's Investment In The Big East Football Conference

- 64. Connecticut was a founding member of the Big East in 1979 and its contributions have been vital to the growth and success enjoyed by the members of the Big East, including the Defecting School Defendants.
- 65. Beginning in 1990, years of investments began to bear fruit for the Connecticut men's basketball program. Since 1990, Connecticut has won the Big East men's basketball tournament five times, has advanced to the "Sweet 16" of the NCAA basketball tournament nine times, has advanced to the "Elite 8" of the NCAA basketball

tournament five times and, in 1999, Connecticut defeated Duke University of the ACC for the men's NCAA basketball championship.

- 66. During approximately the same period, Connecticut has developed the most successful women's college basketball program in the country. The Connecticut women's basketball team has won four NCAA national championships, including the last two, in 2002 and 2003, and achieved a 70 game winning streak that rivaled the greatest accomplishments in the history of team athletics.
- 67. Connecticut's success in basketball has benefited Miami in ways that are directly relevant to Miami's present conduct. In the early 1990's, prior to joining the Big East, Miami pursued admission to the ACC but was not admitted and the ACC rejected Miami's request for admission.
- 68. The ACC has a long and respected tradition as a basketball conference. Plaintiffs believe and therefore aver that a principal reason that Miami was not admitted by the ACC is the fact that Miami did not bring a quality basketball program into the ACC. In fact, Miami did not even have any basketball program from approximately 1970 to 1985. Furthermore, during much of the 1990's, Miami played its basketball games before sparse crowds at an off-campus arena that was a marketing and revenue drag on the entire Big East.
- 69. With the continued success of the Big East in basketball, Miami was gradually able to improve its basketball program and was also able to obtain support for and construct an on-campus basketball arena. This improvement in its basketball program is an important reason why Miami, once unacceptable to the ACC, is now deemed to be an acceptable candidate for membership in the ACC.

- 70. Having benefited so directly from Connecticut's investments in basketball, Miami's commitment also encouraged Connecticut to make similar investments in its football program. In the late 1990's, Connecticut was given the opportunity to consider whether it wished to make the investments necessary to elevate its existing Division 1-AA football program to Division 1-A and join the Football Conference.
- 71. As both Connecticut and the Big East members knew, elevating to Division 1-A would involve a long-term investment by Connecticut. This investment included a substantial increase in the number of football scholarships Connecticut offers annually, and, most significantly, the construction of an approximately \$90 million dollar stadium.
- 72. In fact, the plan for implementing Connecticut's entry into the Football Conference, agreed to in or about July 1999, was expressly conditioned upon Connecticut having "its own football stadium ready for play by the 2003 football season. This is a firm condition." In addition, this agreement required Connecticut, in substance, to make a \$10.5 million "buy-in" payment to the Football Conference between then and 2012, with such payment to be made over time by, for example, playing road games against other Big East teams and waiving the appearance fees to which it otherwise would be entitled. (The precise mechanics and timing of the buy-in have been slightly modified since the original terms were agreed upon.)
- 73. Having the pay-out period extend through 2012 afforded

  Connecticut a substantial period in which to develop a competitive Division 1-A football

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program within the Football Conference and thereby realize the benefit of these enormous investments.

- 74. Miami knew that Connecticut would need to seek state funding for its new football stadium. Miami also knew that Connecticut would need to be able to show that it had a stable platform from which to develop a Division 1-A football program to improve its chances of obtaining the crucial state support for the new stadium. Miami further knew that its flirtation with the ACC in 1999 had threatened to destabilize that platform and would make it harder for Connecticut to secure funding for its stadium.
- 75. Thus, Miami's aforesaid assurances to its "partners" in 1999 that it remained loyal to the Big East were made at a time when it served Miami's interest to encourage and induce Connecticut into making a multi-million dollar investment in its football program such that Connecticut could start down the road to providing a strong football program in the Football Conference that would enhance Miami's program just as Connecticut had done for so many years in basketball.
- 76. Connecticut has already substantially performed its portion of the agreement by which it joined the Football Conference. In particular, a brand-new \$90 million stadium, Rentschler Field, has been constructed and will be ready for football games this fall as per the 1999 agreement. In addition, Connecticut has already played several of the games for which it has received no appearance fees, including against Miami and BC, and has foregone large appearance fees for games against other opponents in order to meet these commitments.
- 77. However, now that Miami's interests are no longer served by Connecticut's commitments, Miami has engaged in a course of conduct that it fully

knows and intends will deprive Connecticut of the value of its investments, and will in substance end the very football conference Miami induced Connecticut to enter.

### Virginia Tech's Investment In The Big East

- 78. In addition, due to the strength of Miami's assurances, the Presidents of the member schools of the Big East accelerated Virginia Tech's all sports membership in the Big East by a full year. For its part, in reliance on Miami's assurance, in or about 1999, Virginia Tech agreed to pay an entry fee of \$2.5 million dollars to the Big East.
- 79. As with Connecticut, this buy-in was phased in over several years, which would, among other things, give Virginia Tech time to bring its men's basketball program up to a Big East level.
- 80. As with Connecticut, Virginia Tech has already performed a substantial portion of its buy-in obligations.
- 81. As with Connecticut, Virginia Tech now faces the loss of the very conference in which it just recently invested.

### Renewed Interest In The ACC And Resulting Harm To Plaintiffs

82. After Plaintiffs spent tens of millions of dollars in reliance on the aforesaid Defecting School Defendants' assurances, and having enjoyed the benefits created by that collective effort, the Defecting School Defendants then set about to conspire with their allies in the ACC to create a scheme to expropriate the value of the Big East to the ACC. At some point prior to March 12, 2003, the ACC again contacted the Defecting School Defendants in hopes of inducing them to defect from the Big East

and join the ACC. To date, the Defecting School Defendants have denied that the ACC contacted them prior to March 2003. However, based on the ACC's May 16, 2003 vote to expand to twelve teams and the identification of Miami, BC and Syracuse as targeted schools to join the ACC, it appears that the ACC and the Defecting School Defendants engaged in discussions regarding the defection of the Defecting School Defendants from the Big East long before that time. In the last week, the ACC has visited each of Miami, BC and Syracuse as part of its expansion plans.

- 83. In addition to Miami, BC and certain ACC schools have been integral to this process.
- 84. Miami and BC knew that Miami had not been extended an offer to join the ACC in 1999 and knew that there was considerable resistance within the ACC to adding Miami.
- 85. Miami, BC and Florida State also knew that the ACC was only willing to consider expansion, if at all, if it could add three teams, in part to enable a playoff football game.
- 86. Miami, BC and Florida State therefore knew that they could succeed in their scheme only if they could induce or pressure a third school to leave the Big East. As noted in the minutes of the May 19, 2003 Big East meeting minutes, Paul Dee, Miami's Athletic Director, stated at the Big East meetings in May 2003: "we (Miami) cannot go if BC and Syracuse do not go."
- 87. Miami, BC and Florida State also knew that inducing a third school to leave the Big East could cripple the Football Conference, leaving it with only

five schools, one of which, Connecticut, was in a embryonic stage, and that this proposal would be more attractive to the ACC precisely because of the prospect that it would eviscerate the Football Conference, eliminate it as a viable competitor in the eastern United States, and increase the possibility that the ACC could reap a larger share of the benefits of the BCS venture.

- 88. Pursuant to this plan, one or more of the Defendants approached Syracuse to be the third team in Defendants' scheme.
- 89. Syracuse was a founding member of the Big East in 1979.

  However, Syracuse was persuaded to conclude that if Miami left the Big East this would cause Syracuse to have to protects its own interests.
- 90. Syracuse has thus advised Plaintiffs that it feels that it has no choice but to join the ACC, even as its national championship winning men's basketball coach, Jim Boeheim, described the move as "insane."
- 91. Defendants' scheme is not being fueled by efficiency or cost-savings. BC, for example, has already indicated that it will have to evaluate whether to reduce several men's and women's "non-revenue" sports if BC moves to the ACC.
- 92. Defendants' scheme has been undertaken with the full knowledge and intent that this scheme will inflict devastating harm on Plaintiffs.
- 93. Faced with the attempt to destroy their conference, the loss of millions and millions of dollars of past investments, as well as hundreds of millions of potential future revenues, Plaintiffs have no choice but to seek compensation for the grave injuries that they have sustained and will sustain and to seek injunctive relief to

avoid the otherwise inevitable irreparable injury, for which there is no adequate remedy at law.

### COUNT ONE <u>BREACH OF FIDUCIARY DUTY</u> (Against the Defecting School Defendants)

- 94. Plaintiffs incorporate by reference the allegations contained in paragraphs 1-93 as if they were set forth in full.
- 95. Each of the members of the Big East owes fiduciary duties to the other members by virtue of their joint participation in this enterprise. These duties emanate from, among other things, the current and former Big East and Big East Football Conference Constitution and Bylaws, the numerous contracts that the members of the Big East have jointly entered as partners in this joint venture, and the course of dealing between members of the Big East as they have evolved over time.
- 96. By virtue of the nature of the joint venture, each of the members of the Big East (i) must repose trust and confidence in the other participants that they will act in the best interests of the venture as a whole, and (ii) must share sensitive, confidential, proprietary information with the Big East and each of the member schools therein. All of the members of the Big East, including each of the Defecting School Defendants, has through its statements and its conduct affirmed that it owes fiduciary obligations to the other member schools.
- 97. In light of these fiduciary obligations, the members of the Big East, including the Defecting School Defendants, are charged with, inter alia, refraining from participating in any scheme to gain an unfair advantage over or to injure the other members of the Big East.

- 98. Plaintiffs, and each of them, have reposed trust and confidence in the integrity, fidelity and fairness of each of their partners in the Big East, particularly the Defecting School Defendants, and were induced to do so by the repeated promises and assurances of these schools that they were acting in the best interests of the Big East and its member schools.
- 99. By engaging in the acts and omissions described above, including (but not limited to) misrepresenting their intentions concerning remaining a member of the Big East and their express disavowal of any interest in joining the ACC, the Defecting School Defendants have breached those fiduciary duties to Plaintiffs.
- 100. The Defecting School Defendants have also breached their fiduciary duties to Plaintiffs by engaging in a conspiracy to bring about defection of almost one half of the football playing schools in the Big East conference for the benefit of themselves and the ACC, a Big East competitor.
- able to engage in their secret scheme with the ACC is that they have access to sensitive and confidential financial information from the Big East and its member schools, and from other positions such as with respect to the BCS, in which they were charged with receiving information on behalf of and for the benefit of the Big East and its members, information that was misused by the Defecting School Defendants and because they had the trust and confidence of their partners.
- 102. As a direct and proximate result of Defecting School Defendants' concerted actions, Plaintiffs have suffered and will suffer substantial monetary damages, as well as irreparable harm to the reputation and future financial viability of the Big East

and each of its members in participating in intercollegiate athletics. Plaintiffs do not presently know the amount of damages in excess of fifteen thousand and 00/100 dollars (\$15,000), exclusive of costs and interests, which will be proven at trial according to proof, but believe that they will run into the hundreds of millions of dollars.

103. Further, Defendants' conduct toward Plaintiffs has been willful, wanton, malicious and/or oppressive and engaged in with an intent to injure, vex and/or harass Plaintiffs. Accordingly, Plaintiffs are entitled to punitive damages in an amount sufficient to punish and to make an example of Defendants.

## COUNT TWO BREACH OF IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING (Against the Defecting School Defendants)

- 104. Plaintiffs incorporate by reference the allegations contained in paragraphs 1-103 as if they were set forth in full.
- 105. The Big East Constitution and Bylaws, and related Big East documents, the Regular Season Agreements, the BCS Agreement, the agreements by which Connecticut and Virginia Tech became "full members of the Big East Conference" and other agreements between the members of the Big East contain an implied covenant of good faith and fair dealing.
- 106. By the actions set forth above, the Defecting School Defendants have acted in bad faith and have breached the implied covenant of good faith and fair dealing existing in the aforementioned documents, with the knowledge that such breaches would harm the Plaintiffs.

107. As a direct and proximate result of Defecting School Defendants' actions, Plaintiffs have suffered and will suffer substantial damages and irreparable harm as aforesaid.

### COUNT THREE PROMISSORY ESTOPPEL

(Against the Defecting School Defendants)

- 108. Plaintiffs incorporate by reference the allegations contained in paragraphs 1-107 as if they were set forth in full.
- 109. The Defecting School Defendants made the above-described promises to the other members of the Big East and the Football Conference with the intent to induce those members to act.
- 110. As set forth above, Plaintiffs reasonably relied on these promises to their detriment.
- 111. As a direct and proximate result of Defecting School Defendants' actions, Plaintiffs have suffered and will suffer substantial damages and irreparable harm as aforesaid.

## COUNT FOUR EQUITABLE ESTOPPEL (Against the Defecting School Defendants)

- 112. Plaintiffs incorporate by reference the allegations contained in paragraphs 1-111 as if they were set forth in full.
- 113. The Defecting School Defendants knowingly made the above described false representations to the other members of the Big East and the Football Conference.

- 114. The Defecting School Defendants did so with the intent that the members of the Big East and the Football Conference would act in reliance upon the false representations.
- 115. As set forth above, Plaintiffs reasonably relied on these false representations to their detriment.
- 116. As a direct and proximate result of Defecting School Defendants' actions, Plaintiffs have suffered and will continue to suffer substantial damages and irreparable harm as aforesaid.

### COUNT FIVE INDUCING A BREACH OF FIDUCIARY DUTY (Against the ACC)

- 117. Plaintiffs incorporate by reference the allegations contained in paragraphs 1-116 as if they were set forth in full.
- 118. By their actions set forth above, the ACC induced the Defecting School Defendants to breach fiduciary duties owed by Defecting School Defendants to Plaintiffs.
- 119. The ACC directly benefited and profited from breaches by the Defecting School Defendants.
- 120. The ACC knows that its actions will substantially damage and irreparably harm Plaintiffs.
- 121. As a direct and proximate result of the ACC's actions, Plaintiffs have suffered and will suffer substantial damages and irreparable harm as aforesaid.

122. Further, the ACC's conduct toward Plaintiffs has been willful, wanton, malicious and/or oppressive and engaged in with an intent to injure, vex and/or harass Plaintiffs. Accordingly, Plaintiffs are entitled to punitive damages in an amount sufficient to punish and to make an example of the ACC.

# COUNT SIX AIDING AND ABETTING A BREACH OF FIDUCIARY DUTY AND SEIZURE OF A VENTURE OPPORTUNITY (Against the ACC)

- 123. Plaintiffs incorporate by reference the allegations contained in paragraphs 1-122 as if they were set forth in full.
- 124. By their actions set forth above, the ACC aided and abetted the Defecting School Defendants in breaching the fiduciary duties owed by Defecting School Defendants to Plaintiffs.
  - 125. The ACC directly benefited and profited from the breaches.
- 126. The ACC knows that their actions will substantially damage and irreparably harm Plaintiffs.
- 127. As a direct and proximate result of the ACC's actions, Plaintiffs have suffered and will suffer substantial damages and irreparable harm as aforesaid.
- 128. Further, the ACC's conduct toward Plaintiffs has been willful, wanton, malicious and/or oppressive and engaged in with an intent to injure, vex and/or harass Plaintiffs. Accordingly, Plaintiffs are entitled to punitive damages in an amount sufficient to punish and to make an example of the ACC.

### COUNT SEVEN BREACH OF IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING (Against the ACC)

- 129. Plaintiffs incorporate by reference the allegations contained in paragraphs 1-128 as if they were set forth in full.
- 130. The BCS Agreement, and other agreements between the Big East and Plaintiffs, on the one hand, and the ACC, on the other hand, contain an implied covenant of good faith and fair dealing.
- 131. By the actions set forth above, the ACC has acted in bad faith and has breached the implied covenant of good faith and fair dealing found in those agreements, with the knowledge that such breaches would harm the Plaintiffs.
- 132. As a direct and proximate result of ACC's actions, Plaintiffs have suffered and will suffer substantial damages and irreparable harm as aforesaid.

## COUNT EIGHT <u>UNFAIR COMPETITION</u> (By Plaintiff Connecticut Against All Defendants)

- 133. Plaintiff Connecticut incorporates by reference the allegations contained in paragraphs 1-132 as if they were set forth in full.
- 134. Through the actions described herein, the ACC and the Defecting School Defendants have engaged in unfair methods of competition and unfair and deceptive acts and practices in the conduct of trade or commerce in violation of the Connecticut Unfair Trade Practices Act, Ct. St. § 42-110a, et seq.

- 135. The conduct engaged in by the ACC and the Defecting School Defendants, as described herein, is immoral, unethical, oppressive, unscrupulous or substantially injurious to Connecticut and the general public of this State.
- 136. The unfair and deceptive acts and practices of the ACC include, among other things:
  - (a) secretly approaching the Defecting School Defendants to induce them to leave the Big East;
  - (b) engaging in secret negotiations with the Defecting School

    Defendants;
  - (c) violating their contractual and fiduciary duties to Plaintiffs and others; and
  - (d) conspiring with the Defecting School Defendants to gut the Big East so that the ACC could become one of the most powerful members of the BCS at the expense of the remaining members of the Big East, including Plaintiffs.
- 137. The unfair and deceptive acts and practices of the Defecting School Defendants include, among other things:
  - (a) engaging in secret negotiations with the ACC to plot their defection from the Big East;
  - (b) misrepresenting their true intentions regarding their commitment to the Big East;

- (c) violating their contractual and fiduciary duties to Plaintiffs and others; and
- (d) conspiring with the ACC to gut the Big East so that the ACC could become one of the most powerful members of the BCS at the expense of the remaining members of the Big East, including Plaintiffs.
- 138. As a direct and proximate result of the unfair and deceptive acts and practices of the ACC and the Defecting School Defendants, Connecticut has suffered and will suffer ascertainable loss and irreparable harm as aforesaid.
- 139. Pursuant to Conn. Gen. Stat. § 42-110g(a), Connecticut therefore seeks to recover the actual damages it has sustained as a result of the actions of the ACC and the Defecting School Defendants, as well as its attorneys fees pursuant to Conn. Gen. Stat. § 42-110g(d). Connecticut also seeks an appropriate injunction to ameliorate the effects of the conduct of the ACC and the Defecting School Defendants.
- 140. Further, Plaintiff Connecticut seeks punitive damages pursuant to Conn. Gen. Stat. § 42-110g(a).

## COUNT NINE <u>UNJUST ENRICHMENT</u> (Against All Defendants)

- 141. Plaintiffs incorporate by reference the allegations contained in paragraphs 1-140 as if they were set forth in full.
- 142. The collaborative effort of the Big East members, including Plaintiffs, alleged above, have been of substantial benefit to the entire group. These

benefits would not have been created or enjoyed in the absence of such collaborative effort and were intended by the members of the Big East to be shared and enjoyed collectively.

- 143. By the acts alleged herein, the Defecting School Defendants and the ACC seek to improperly appropriate for themselves the value created by Plaintiffs without offering just compensation for that right.
- 144. As a proximate result of the foregoing, Plaintiffs are entitled to recover from the Defecting School Defendants and the ACC an amount equal to the value Defendants are expropriating from the Big East.

## COUNT TEN CIVIL CONSPIRACY (Against All Defendants)

- 145. Plaintiffs incorporate by reference the allegations contained in paragraphs 1-144 as if they were set forth in full.
- 146. As set forth above, the Defendants combined and conspired unlawfully, including the commission of numerous overt acts, with the intent of harming the Big East, the Football Conference, and each of the Plaintiffs herein.
- 147. Each of the actions described above was taken knowingly and intentionally, in furtherance of such conspiracy between and among the defendants.
- 148. As a direct and proximate result of Defendants' conspiracy,
  Plaintiffs have suffered and will continue to suffer substantial damages and irreparable harm as aforesaid.

149. Further, Defendants' conduct toward Plaintiffs has been willful, wanton, malicious and/or oppressive and engaged in with an intent to injure, vex and/or harass Plaintiffs. Accordingly, Plaintiffs are entitled to punitive damages in an amount sufficient to punish and to make an example of Defendants.

### **PRAYER FOR RELIEF**

### WHEREFORE, Plaintiffs respectfully request:

- (1) That this Court enter judgment in favor of Plaintiffs and against Defendants, jointly and severally, for the damages sustained by Plaintiffs as well as for punitive damages;
- (2) That this Court enter an appropriate injunction to ameliorate the effects of Defendants' conduct;
- (3) That Plaintiffs be awarded the costs, disbursements and expenses of this suit, together with reasonable attorneys' fees; and
- (4) That the Court grant such other and further relief as the Court may deem just and proper.

Plaintiffs demand a trial by jury for each and every issue so triable.

FOR THE UNIVERSITY OF CONNECTICUT; THE UNIVERSITY OF PITTSBURGH – OF THE COMMONWEALTH SYSTEM OF HIGHER EDUCATION; RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY; VIRGINIA POLYTECHNIC INSTITUTE & STATE UNIVERSITY; and WEST VIRGINIA UNIVERSITY

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